Garment Export Duty

*154. SHRI DHIRENDRA AGARWAL :
SHRI AMAR PAL SINGH :

Will the Minister of TEXTILES be pleased to state:

(a) the criteria laid down for granting of garment export quota under the new Investment Entitlement Scheme;

(b) whether the Government have received any complaint regarding irregularities in granting of garment export quota under the Scheme;

(c) if so, the details thereof; and

(d) the action taken by the Government in this regard?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) The criteria laid down for granting of garment export entitlements (quotas) under the New Investors' Entitlement (NIE) System are as follows :

(i) An exporter should be registered with the Apparel Export Promotion Council (AEPC), as manufacturer exporter.

(ii) An exporter should have invested a minimum amount of Rs. 50 lakhs in new machinery (from an approved list of machinery) either in an existing unit or in a new unit during a period of 12 consecutive months commencing not earlier than the first of January of the previous calendar year. However for the allotment year 1996, any 12 month period commencing from 1st September, 1994 would apply.

(iii) NIE allotments are made only once for a particular block of investments.

(iv) NIE allotments are made at the rate of 1000 pieces of export entitlement (quotas) for every Rs. 1 lac of admissible investment. Investments in fractions of Rs. one lac are not taken into account.

(v) The quantity for which a given applicant is eligible is divided equally in at least 5 country-categories to be opted for by the applicant. That is for every country-category, the maximum export entitlement (quota) is 200 pieces for every Rs. 1 lac of admissible investment. However, in case an exporter is constrained to opt for less than 5 country-categories, because his items of production do not cover 5 country-categories, the total quantity allotted to him is restricted to his choice of country-categories multiplied by 200 pieces for every Rs. 1 lac of admissible investment. In case an exporter opts for more than 5 country-categories, his NIE allotment is distributed equally among the different country-categories subject to the ceiling of 1000 pieces for every Rs. 1 lac of admissible investment.

(vi) Applicants who are not allocated NI entitlements in full or in part in any particular country-category during 1996 for which they have been otherwise held eligible because of the non-availability of NIE levels during 1996, can opt for either (i) fresh country-categories in place of the country-categories in their original application in which they could not get entitlements either in full or in part in 1996 or, (ii) NI entitlements in 1997 in the same country-category, in which they could not get NI entitlements during 1996.

(b) No, Sir.

(c) and (d). Do not arise.

Expansion of Trade with Pakistan

*155. SHRI S.D.N.R. WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have any proposal to expand Indo-Pak trade;

(b) if so, the details of areas identified thereof;

(c) whether any negotiation has been made by Pakistan with the Union Government and vice-versa in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b). Trade between India and Pakistan is hampered by Pakistan Government's restrictive policy on imports from India. While India extends Most Favoured Nation (MFN) status to Pakistan under GATT Rules, Pakistan has not accorded Most-Favoured Nation status to India in contravention of its GATT/WTO obligations; instead it currently allows imports from India only against a unilateral list of 573 items covering about 800 tariff lines at 6 digit level against a total of 5400 tariff lines as per the Harmonised system of International Classification. The Government of India have made a formal demarche to the Pakistan Government about extension of MFN status to India, response to which is awaited. Expansion of Indo-Pak trade will hinge mainly upon Pakistan's willingness to allow imports from India on MFN basis, whereafter other bilateral trade matters can be taken up for discussion between the two sides.

(c) No, Sir.

(d) Does not arise.